

## 3.0 Financial Summary

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### 3.1 City Funding in Support of HMP

The City uses two sources of funding to support implementation of the HMP: (1) new permanent funding that has been allocated specifically for management of City lands and HMP coordination, and (2) existing resources, including planning and administrative staff. The following sections describe these funding sources and how they are being used.

#### 3.1.1 HMP Implementation

The majority of the City's ongoing costs to support HMP implementation are activities required by the HMP or the IA. Two of the City's main responsibilities are:

- Oversight of the HMP Preserve, and
- Direct, active management of more than 600 acres of preserve land owned by the City.

To accomplish the first goal, the City dedicated a senior-level staff planner (at approximately 50 percent time) and provides other administrative support for HMP coordination. The City also contracted with TAIC to develop guidelines to (1) assist City planners, developers, biologists, and the public through the HMP process; and (2) to serve as the City's Preserve Steward, coordinating management throughout the HMP Preserve, and monitoring HMP compliance and management effectiveness. The annual cost of program administration was estimated to be approximately \$79,750 in 2004 dollars (IA, page 24), which equals approximately \$91,433 in 2008 dollars (U.S. Department of Labor Consumer Price Index). The City provides \$125,000 in annual administrative costs, which is continuously funded through the City's annual budget appropriation process.

The second goal will be accomplished through the efforts of CNLM, a non-profit preserve management company. (*Post-reporting period update:* The management contract with CNLM was approved by the City Council on December 16, 2008.) The annual cost for implementing the HMP preserve maintenance was initially estimated to be \$181,200 in 2004 dollars (IA, page 23), which equals approximately \$207,745 in 2008 dollars. Actual start-up costs and management for the first year will be \$344,000. Annual maintenance costs thereafter will be \$170,000. Installation and maintenance of fencing will be provided by the City; therefore, the cost for fencing is not included.

### 3.1.2 In-Lieu Habitat Mitigation Fees

As described in Section 1.3.7, in-lieu habitat mitigation fees are collected from developers for project-related impacts to some native habitat outside of the preserve. These habitats include all habitat types in Groups E and F (non-native grassland, disturbed lands, Eucalyptus, and agricultural lands) and some habitat types in Group D (unoccupied coastal sage scrub, coastal sage/chaparral mix, and chaparral, except southern maritime chaparral). These fees will be used to fulfill the City's obligation to acquire, protect, and manage the Gnatcatcher Core Area. Table 16 summarizes the mitigation fee account activity for the current reporting period. Approximately \$159,314 in fees were collected, and \$22,051 in interest accrued, bringing the account total to \$945,766. No withdrawals have been made from this account to reimburse or acquire acreage in the Core Area.

**Table 16. In-Lieu Mitigation Fee Account Activity during Current Reporting Period  
Nov. 2007 – October 2008**

<b>Date</b>	<b>Project Required to Pay Mitigation Fee</b>	<b>Habitat Impact</b>	<b>Fee Paid</b>
<b>10/31/07</b>	<b>Beginning Fund Total</b>		<b>\$764,400.60</b>
<b>Fees Paid</b>			
11/15/2007	GR070046 Robertson Ranch	20.4 acres disturbed lands	\$52,407.60
11/15/2007	GR070047 Robertson Ranch	15.16 acres disturbed lands	\$38,946.04
12/17/2007	CB071995 Davis Residence	0.01 acres unoccupied coastal sage scrub; 0.59 acres disturbed lands	\$1,772.54
5/09/2008	GR080007 La Costa Condominiums	1.12 acres unoccupied coastal sage scrub; 2.5 acres non-native grassland; 2.07 acres disturbed lands	\$66,187.79
<b>Interest Earned</b>			\$22,051.17
	<b>Total Cash Available in Fund</b>		<b>\$945,765.74</b>

### 3.1.3 Other City Funding that Benefited the HMP Preserve

Other sources of City funding resulting in direct benefits to the HMP Preserve included the Agricultural Mitigation Conversion Fee Program, which provided grants to the

Batiquitos Lagoon Foundation to conduct studies on the hydrology and bathymetric condition of the lagoon, remove invasive species, restore habitat, and upgrade the Batiquitos Lagoon Nature Center. Additionally, funds became available from the Cities of Carlsbad and Vista, as part of a settlement agreement for a large 2007 sewage spill at the Buena Vista Lagoon, to restore native habitat upstream from the lagoon.

### 3.2 Status of Preserve Management Endowments

The endowment activity and status for preserves funded through endowments are given in Table 17. This includes all preserves managed by CNLM and HCC, Buena Vista Creek Ecological Reserve, and Batiquitos Lagoon Ecological Reserve. Other ecological reserves owned and managed by CDFG are funded through regular CDFG funds.

**Table 17. Endowment Status for HMP Preserves**

<b>Site Name</b>	<b>Inception Date</b>	<b>Original Endowmt</b>	<b>FY-07-08 Budget</b>	<b>FY07-08 Expend.</b>	<b>Endowmt 10/31/08</b>	<b>Initial &amp; Capital 10/31/08</b>	<b>Total Funds as of 10/31/08</b>	<b>Inflation Adj. Endmt 10/31/08</b>
Batiquitos Lagoon Ecological Reserve	1997	\$8,654,131 <sup>2</sup>	Unknown	\$98,507	\$5,788,199			
Buena Vista Creek Ecological Reserve	4/2007	\$776,644	\$93,294	\$86,245	\$579,906	\$109,567	\$689,473	\$806,439
Calavera Hills II/Robertson Ranch E	6/2006	\$1,650,293	\$69,857	\$68,476	\$1,340,812	\$153,864	\$1,494,676	\$1,745,823
Carlsbad Oaks North	3/2006	\$1,020,311	\$43,993	\$42,821	\$805,378	\$55,038	\$860,416	\$1,078,686
Kelly Ranch	3/2002	\$296,125	\$16,003	\$14,661	\$294,607		\$294,607	\$369,803
La Costa Villages	2/2002	\$1,364,400	\$76,028	\$76,371	\$1,314,888		\$1,314,888	\$1,691,758
Nelson Parcel	6/2001	\$72,180	\$3,850	\$3,678	\$63,678		\$63,678	\$84,275
N. County Habitat Bank (new)	5/2008	\$427,004	\$0	\$24,001	\$306,900	\$71,676	\$378,576	\$426,071
<b>TOTALS</b>		<b>\$5,707,801</b>		<b>\$414,760</b>	<b>\$4,783,268</b>	<b>\$403,725</b>	<b>\$5,186,993</b>	<b>\$6,310,139</b>

<sup>1</sup> Of this amount, approximately \$3 Million is being held by the City of Carlsbad, and will become available in 2027.

<sup>2</sup> CNLM merged funds for these two projects to provide a cost savings for Robertson Ranch. East Village

## 4.0 References

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